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the confidence of banks and business men in Portland. Its one great obstacle is lack of sufficient capital to enable the managers to buy large quantities at the best advantage, showing that patrons do not give the support their interests demand.

The strongest co-operative enterprises of the Grange in New England are the fire insurance companies. Connecticut, New Hampshire and Massachusetts each have one. The Connecticut Patrons' Mutual Fire Insurance Company was organized in 1888. In 1892 there were about 1000 policies out, representing a risk of about \$1,600,000. In 1891 alone, policies to the amount of \$552,926 were taken out.* The first assessments were made in 1892, and this owing to the unusually heavy losses from lightning. The Massachusetts Fire Insurance Company began business in 1887. In 1890, it reports 1050 policies in force, covering \$1,187,586 worth of property. The New Hampshire company is the strongest. In 1892 it had 1600 policies, covering insurance to the amount of \$2,200,000, as against 1399 policies in 1891, covering risks amounting to \$1,872,677.17. No assessments have been necessary.

The rate of insurance is one-half of one per cent for three years—less than one-half the ordinary rates.

It is to be noted that few attempts at co-operation of long standing have been found. The Maine State Grange Store has been in operation longest, about sixteen years. It is also to be noted that the enterprises thus far attempted have been, in the main, of the simplest character. The difficult problems in co-operation have scarcely been touched. The financial gains, all told, cannot be very considerable; but these attempts are certainly of important educational character, as they stimulate interest in the questions before the people, and teach the farmers by practical experience the difficulties attending the application of some of the panaceas for the workingman's woes.

FLORENCE J. FOSTER.

Walpole, N. H.

THE PENNSYLVANIA TAX CONFERENCE.

By an Act of the Legislature of Pennsylvania, passed May 25, 1889, a commission consisting of eight members was created "to prepare a uniform revenue law covering both State and local taxation, and to report the same to the next legislature." This commission consisted of the Auditor-General, one representative of the county commissioners, two experts on financial questions, and one representative of each of the following industrial interests in the State: manufacturers,

* Connecticut State Grange. Proceedings, 1892. Report of Patrons' Mutual Fire Insurance Company.

financial and mercantile interests, agricultural interests and "wage-workers." The commission held several meetings in Harrisburg and Philadelphia, to which individuals were invited to give their testimony in regard to the defects in the existing system of taxation, and to suggest remedies. As a result of their deliberations we have a report * containing the bill approved by the majority of the members of the commission, with their reasons therefor, and supplementary reports by the Auditor-General, Thomas McCamant, by Mr. John A. Wright, and by Professor Albert S. Bolles, respectively, dissenting from the views of the majority, and suggesting the reforms which in *their* opinion are called for in the taxing system.

This report was submitted to the State Legislature of 1890-91, and on the basis of it several bills were proposed and discussed at considerable length in both Houses. The discussion served only to emphasize, on the one hand, the pressing need of *some* reform in the taxing system, both State and local, and, on the other, the impossibility of coming to an agreement as to just *what* reform is demanded on the basis of existing knowledge on the subject. The Legislature adjourned without having taken any definite action.

In the course of the debate it was incidentally suggested on the floor of the Senate by Mr. J. A. Price, late of Scranton, that representatives of the various material interests in the State on which taxation falls in the first instance, should be called together and asked to formulate some plan on the basis of which future tax levies might be equitably distributed. This suggestion was received with favor by many of the leading citizens of the State, and after considerable correspondence, Mr. Price, on January 25, 1892, issued a call for a meeting of representatives of the six great interests in the State, viz., agriculture, transportation, manufacturing, labor, trade and the county commissioners, to be held at Harrisburg, February 4, 1892. In response to this call, twenty-four gentlemen representing the above interests came together and created the institution, unique in the history of tax reform movements, known as the Pennsylvania Tax Conference. The peculiarities of this institution are: 1st, it has no legal existence; 2d, it owes its origin to the efforts of private citizens, and is supported entirely by voluntary contributions; and 3d, through it all the great interests in the State are working together harmoniously to obtain exact information in regard to the defects of the present taxing system as the necessary preliminary to any rational discussion of needed reforms.

During the first meeting of the Tax Conference a permanent chairman and secretary were elected, and the following committees were

* "Report of the Revenue Commission appointed by the Act of the Legislature of Pennsylvania, May 25, 1889." Pp. 198. Philadelphia, 1890.

appointed: (1) A commission to make exhaustive investigations into the value of all classes of property in the State, and the taxation of this property; (2) a committee to examine the taxing systems of other American States; (3) a committee on finance. The Tax Conference has held four meetings, the last having taken place at Harrisburg, February 9, 1893. At the third meeting a further committee was appointed to report concerning the principles upon which a new tax bill should be based. The conference has discovered that the task of securing the exact information it requires as a basis for a new tax law is one of greater difficulty than was at first anticipated. It has not been discouraged, however, by the magnitude of its undertaking, but has pushed on the work with increasing enthusiasm. The reports of its committees which have already been submitted and which are promised in the near future will constitute a collection of statistics bearing upon the distribution of property throughout Pennsylvania, and the incidence of State and local taxes, such as has never before been brought together for any State in the Union.

Up to the present time, besides reports of minor importance from the committees on the taxing systems of other States and on the principles which should underlie a system of State and local taxation, two reports have been submitted by the commission on "valuation and taxation," and printed at the expense of the conference. The first* of these reports is divided into three parts, as follows: Part I treats of the actual valuation of all classes of property in the State. Part II treats of the amount paid in taxes by each class. Part III takes up the amount of property exempted from taxation not covered by the exemptions specified in the constitution of 1874. In order to obtain the facts contained in this report a corps of experts was employed by the commission to visit the different counties and examine the books of the county commissioners. No pains were spared to make these statistics as accurate as possible, and no one can read the report without feeling that the result is a credit to all those concerned in the investigation. Here we have brought together, in compact form, just those facts, the knowledge of which is most essential as a basis for any new tax legislation. If the Tax Conference should disband and have nothing to show for its activity but this report on "Valuation, Taxation and Exemption," it yet would have done an immense service to those interested in the promotion of tax reform. But it has not been satisfied with this one report, which must, after all, reflect to a large extent the inaccuracies inherent in the "official" statistics supplied by the State

* "Valuation, Taxation and Exemption in the Commonwealth of Pennsylvania." A Report to the Pennsylvania Tax Conference by the Commission on Valuation and Taxation. Jos. D. Weeks, Chairman. Harrisburg, Oct. 13, 1892. Pp. 34.

and by the counties. At present the commission is carrying on three separate investigations much more detailed and laborious in character than the general investigation already brought to a conclusion. These are: (1) An investigation into the actual valuation and taxation of real estate in each county of the State. (2) An investigation into the actual valuation and taxation of railroad property. (3) An investigation into the valuation and taxation of all other classes of corporate property in the State.

In connection with the first investigation the records of fully 30,000 sales of farms and lots in different parts of the State are being secured and compared with the assessments of the same appearing upon the books of tax assessors. In connection with the second investigation the commission is securing returns from every railroad in the State showing their mileage, their issue of stock and bonds, and the value of the same, and the amounts paid by them in taxes. The third investigation is expected to accomplish the same result for corporations other than railroads.

Up to the present time but one report * has been made by the commission touching these three investigations. This report contains some data concerning the actual and assessed valuation of real estate in eighteen counties out of the sixty-seven in the State. The records of 5304 sales of farms and lots were examined and compared with their assessed valuation. Of these the selling value was \$10,366,897, and the assessed value only \$5,819,976, or 56.1 per cent of the selling price. The relation of assessed value to salable value was found to vary from 37.1 per cent in Westmoreland County to 81.8 per cent in Lancaster County.

I am informed by the permanent secretary of the Tax Conference, Mr. W. R. Tucker, of Philadelphia, that the material for final reports upon the first two subjects of investigation mentioned above (real estate and railroads) has been already collected, and that the investigation of the third subject is well under way. We may expect, therefore, the appearance of these further reports in the course of a few months' time. When the Commission on Valuation and Taxation has completed its statistical labors, the committee appointed to discuss the principles which should underlie a new tax law will be in a position to make its final report, and the Conference will then proceed to draw up a bill based upon its investigations, to be submitted to the next Legislature.

Up to the present time the Tax Conference has expended eleven thousand dollars in connection with its investigations, all of which

* "Report of the Commission on Valuation and Taxation" presented to the meeting of the Pennsylvania Tax Conference held at Harrisburg, February 9, 1893. Pp. 4.

has been voluntarily subscribed by citizens of the State interested in tax reform. Predictions in regard to the final result of the efforts of the Pennsylvania Tax Conference would be premature at this time, but it is safe to say that the citizens of this State have hit upon a very happy expedient for effecting reform in the system of taxation, and that sister States, laboring likewise under the disadvantages of a taxing system not at all suited to present industrial conditions, will do well to adopt a similar policy.

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